

REPORTER'S RECORD

VOLUME ____ OF ____

TRIAL COURT CAUSE NO. DC-17-15244-B

JOSHUA N. TERRY,) IN THE DISTRICT COURT
Plaintiff,)
VS.)
) OF DALLAS COUNTY, TEXAS
ACIS CAPITAL MANAGEMENT, L.P.)
and ACIS CAPITAL MANAGEMENT)
GP, LLC,)
Defendants.) 44TH JUDICIAL DISTRICT

PLAINTIFF'S APPLICATION FOR
TEMPORARY RESTRAINING ORDER
which was heard on
Wednesday, January 24, 2018

On the 24th day of January 2018, the following
proceedings came on to be heard in the above-entitled
and numbered cause before the Honorable Bonnie Lee
Goldstein, Judge Presiding, held in Dallas, Dallas
County, Texas.

Proceedings reported by machine shorthand
utilizing computer-assisted realtime transcription.

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INDEX TO THE
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Wednesday, January 24, 2018

PROCEEDINGS	Page	Vol
Appearances stated on the record.....	4	
Motion presented by Mr. Brian Shaw.....	5	
Response by Mr. Gary Cruciani.....	12	
Response by Mr. Brian Shaw.....	30	
Discussion with the Court.....	33	
Recitation of agreement on the record.....	42	
Further proceedings on the record.....	44	
Court Reporter's Certificate.....	46	

1 Acis, and the beneficial owners--those
2 three folks--get the servicing fees. Okay. But
3 because it has no employees, all of the services
4 necessary are being provided by a Highland entity,
5 what I mentioned earlier. Okay. So Highland provides
6 all of the back office support--again, legal,
7 accounting, administrative and the like. So that's
8 the structure.

9 I'm not sure if I answered the Court's
10 question, but that's the structure.

11 THE COURT: You did. Then perhaps
12 explain to me -- perhaps you can give me better
13 language, because I believe their judgment should be
14 protected. My rulings have not been appealed yet,
15 which would require a supersedeas.

16 How would you propose that I modify this
17 TRO so that we can protect whatever assets that Acis
18 has so that I don't stop the normal course of the
19 business? What suggestion would you make?

20 MR. CRUCIANI: Sure. Number one, in
21 terms of the judgment being protected, they are
22 entitled to protection from some, you know, from some
23 fraudulent transfer that would avoid the judgment.

24 There is nothing to suggest that you
25 can't, in the ordinary course of your business, do a

1 refinance. Your Honor, it would be like if you owned
2 a house, and I had a judgment against you for a car
3 wreck, that somehow I could enjoin you from refinancing
4 your house.

5 THE COURT: Well, no, I understand that.
6 That's not my question. My question is -- I understand
7 what -- I'm trying to minimize the impact on your
8 ability to get your investors and to keep this all
9 going, from their ability --

10 Because, again, I don't have anything in
11 place while the rest of this is being fought, if it
12 goes to the Court of Appeals in some fashion. And I
13 understand that Highland is involved with Mr. Terry
14 in Judge Moore's court.

15 I'm not trying to shut down the business.
16 I'm trying to protect what they are asking me to
17 protect. And I'm asking for solutions because, as it
18 sits, without more, it is unreasonable for 14 days.

19 I don't want to shut down your ability to
20 get investors because that's in nobody's best interest.
21 If you want to get 30 days to terminate the contract,
22 I don't think I can stop you from doing that if that's
23 that contractual right, necessarily.

24 I can say, though, that those moneys that
25 are going for those servicing fees need to be put

1 happening.

2 So it is not like we haven't tried.

3 THE COURT: Right. But he hasn't heard
4 my side of it, what my thoughts are.

5 MR. SHAW: Sure.

6 THE COURT: So this may be helpful to him
7 to be able to relate to his client, the judge is going
8 to do something. And I'm trying to minimize the impact
9 to ongoing business relationships while reserving the
10 assets for you with regard to your ability to collect.

11 I am not going backwards right now. I'm
12 going from today forward. And I just -- I don't know
13 how these contracts work.

14 MR. SHAW: And that's what I think is
15 important. I think you really honed in on the issue,
16 which is Acis. This is about Acis. Right. This is
17 not about Highland. This is not about any other
18 affiliate.

19 And you listen to what Mr. Cruciani says,
20 you are going to be -- it is going to be devastating
21 for Acis. It is going to be devastating for Acis
22 somehow to transfer \$30 million of assets out with
23 no consideration? That's devastating for Acis
24 if you don't enjoy them from transferring.

25 So this whole idea, these hedge fund

1 STATE OF TEXAS)

2 COUNTY OF DALLAS)

3 I, David W. Langford, Official Court Reporter
4 in and for the 44th District Court of Dallas County,
5 State of Texas, do hereby certify that the above and
6 foregoing contains a true and correct transcription
7 of all portions of evidence and other proceedings
8 requested orally by counsel for the parties to be
9 included in this volume of the Reporter's Record in
10 the above-styled and numbered cause, all of which
11 occurred in open court and were reported by me.

12 I further certify that this Reporter's Record
13 of the proceedings truly and correctly reflects the
14 exhibits, if any, offered by the respective parties.

15 I further certify that the total cost for the
16 preparation of this Reporter's Record is \$575.00 and
17 was paid by the attorney for the Defendants.

18 WITNESS MY OFFICIAL HAND on this the 24th day
19 of January 2018.

20 _____/s/___David W. Langford_____

21 David W. Langford, Texas CSR #1442

Certificate Expires: 12-31-2019

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